

SERFF Tracking Number:	QBCL-125636603	State:	Arkansas
First Filing Company:	Southern Guaranty Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	070108 10851K		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	AR Workers Compensation Rate/ Rule		
Project Name/Number:	/		

Filing at a Glance

Companies: Southern Guaranty Insurance Company, Southern Pilot Insurance Company, General Casualty Company of Wisconsin, Regent Insurance Company

Product Name: AR Workers Compensation Rate/ Rule	SERFF Tr Num: QBCL-125636603	State: Arkansas
TOI: 16.0 Workers Compensation	SERFF Status: Closed	State Tr Num: EFT \$100
Sub-TOI: 16.0004 Standard WC	Co Tr Num: 070108 10851K	State Status: Fees received
Filing Type: Rate/Rule	Co Status:	Reviewer(s): Betty Montesi, Carol Stiffler
	Authors: Sara Zastrow, Jennifer Kleeman	Disposition Date: 05/28/2008
	Date Submitted: 05/28/2008	Disposition Status: Approved
Effective Date Requested (New): 07/01/2008		Effective Date (New): 07/01/2008
Effective Date Requested (Renewal): 07/01/2008		Effective Date (Renewal):
State Filing Description:		

General Information

Project Name:	Status of Filing in Domicile: Pending
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 05/28/2008	
State Status Changed: 05/28/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
The intent of this filing is to seek approval to adopt the NCCI Voluntary Advisory Loss Costs and Rating Values – Item # AR-2008-02 – effective July 1, 2008.	

SERFF Tracking Number:	QBCL-125636603	State:	Arkansas
First Filing Company:	Southern Guaranty Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	070108 10851K		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	AR Workers Compensation Rate/ Rule		
Project Name/Number:	/		

Company and Contact

Filing Contact Information

Jennifer Kleeman, C/L Operations System Technician	jennifer.kleeman@generalcasualty.com
One General Drive	(608) 825-5870 [Phone]
Sun Prairie, WI 53596	(608) 825-5100[FAX]

Filing Company Information

Southern Guaranty Insurance Company	CoCode: 19178	State of Domicile: Wisconsin
One General Drive	Group Code: 796	Company Type: Property and Casualty
Sun Prairie , WI 53596	Group Name:	State ID Number:
(608) 837-4440 ext. [Phone]	FEIN Number: 63-0350861	

Southern Pilot Insurance Company	CoCode: 22861	State of Domicile: Wisconsin
One General Drive	Group Code: 796	Company Type: Property and Casualty
Sun Prairie , WI 53596	Group Name:	State ID Number:
(608) 837-4440 ext. [Phone]	FEIN Number: 56-0773056	

General Casualty Company of Wisconsin	CoCode: 24414	State of Domicile: Wisconsin
One General Drive	Group Code: 796	Company Type: Property and Casualty
Sun Prairie , WI 53596	Group Name:	State ID Number:
(608) 837-4440 ext. [Phone]	FEIN Number: 39-0301590	

Regent Insurance Company	CoCode: 24449	State of Domicile: Wisconsin
One General Drive	Group Code: 796	Company Type: Property and Casualty
Sun Prairie , WI 53596	Group Name:	State ID Number:
(608) 837-4440 ext. [Phone]	FEIN Number: 39-6062860	

Filing Fees

SERFF Tracking Number: QBCL-125636603 *State:* Arkansas
First Filing Company: Southern Guaranty Insurance Company, ... *State Tracking Number:* EFT \$100
Company Tracking Number: 070108 10851K
TOI: 16.0 Workers Compensation *Sub-TOI:* 16.0004 Standard WC
Product Name: AR Workers Compensation Rate/ Rule
Project Name/Number: /

Fee Required? Yes
 Fee Amount: \$100.00
 Retaliatory? No
 Fee Explanation: \$100.00 per submission
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Southern Guaranty Insurance Company	\$100.00	05/28/2008	20542234
Southern Pilot Insurance Company	\$0.00	05/28/2008	
General Casualty Company of Wisconsin	\$0.00	05/28/2008	
Regent Insurance Company	\$0.00	05/28/2008	

SERFF Tracking Number:	QBCL-125636603	State:	Arkansas
First Filing Company:	Southern Guaranty Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	070108 10851K		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	AR Workers Compensation Rate/ Rule		
Project Name/Number:	/		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Carol Stiffler	05/28/2008	05/28/2008

SERFF Tracking Number:	QBCL-125636603	State:	Arkansas
First Filing Company:	Southern Guaranty Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	070108 10851K		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	AR Workers Compensation Rate/ Rule		
Project Name/Number:	/		

Disposition

Disposition Date: 05/28/2008

Effective Date (New): 07/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Southern Guaranty Insurance Company	5.110%	\$-47,599	181	\$555,272	0.000%	%	0.000%
Southern Pilot Insurance Company	-7.900%	\$153	1	\$3,145	0.000%	%	0.000%
General Casualty Company of Wisconsin	7.390%	\$-2,920	25	\$36,588	0.000%	%	0.000%
Regent Insurance Company	4.760%	\$316	7	\$6,951	0.000%	%	0.000%

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing

0.000%

<i>SERFF Tracking Number:</i>	<i>QBCL-125636603</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>Southern Guaranty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>070108 10851K</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>AR Workers Compensation Rate/ Rule</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$-50,050
Effect of Rate Filing - Number of Policyholders Affected	214

SERFF Tracking Number: QBCL-125636603 State: Arkansas

First Filing Company: Southern Guaranty Insurance Company, ... State Tracking Number: EFT \$100

Company Tracking Number: 070108 10851K

TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC

Product Name: AR Workers Compensation Rate/ Rule

Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	NAIC Loss Cost Filing Document for Workers' Compensation	Approved	Yes
Supporting Document	NAIC loss cost data entry document	Approved	Yes
Rate	state exception page	Approved	Yes

SERFF Tracking Number:	QBCL-125636603	State:	Arkansas
First Filing Company:	Southern Guaranty Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	070108 10851K		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	AR Workers Compensation Rate/ Rule		
Project Name/Number:	/		

Rate Information

Rate data applies to filing.

Filing Method:	Prior approval
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	0.000%
Effective Date of Last Rate Revision:	06/07/2007
Filing Method of Last Filing:	prior approval

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
Southern Guaranty Insurance Company	0.000%	5.110%	\$-47,599	181	\$555,272	0.000%	%
Southern Pilot Insurance Company	0.000%	-7.900%	\$153	1	\$3,145	0.000%	%
General Casualty Company of Wisconsin	0.000%	7.390%	\$-2,920	25	\$36,588	0.000%	%
Regent Insurance Company	0.000%	4.760%	\$316	7	\$6,951	0.000%	%

<i>SERFF Tracking Number:</i>	<i>QBCL-125636603</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>Southern Guaranty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$100</i>
<i>Company Tracking Number:</i>	<i>070108 10851K</i>		
<i>TOI:</i>	<i>16.0 Workers Compensation</i>	<i>Sub-TOI:</i>	<i>16.0004 Standard WC</i>
<i>Product Name:</i>	<i>AR Workers Compensation Rate/ Rule</i>		
<i>Project Name/Number:</i>	<i>/</i>		

Overall Rate Information for Multiple Company Filings

Overall % Rate Indicated:

Overall Percentage Rate Impact For This Filing:

Effect of Rate Filing - Written Premium Change For This Program: \$-50,050

Effect of Rate Filing - Number of Policyholders Affected: 214

SERFF Tracking Number:	QBCL-125636603	State:	Arkansas
First Filing Company:	Southern Guaranty Insurance Company, ...	State Tracking Number:	EFT \$100
Company Tracking Number:	070108 10851K		
TOI:	16.0 Workers Compensation	Sub-TOI:	16.0004 Standard WC
Product Name:	AR Workers Compensation Rate/ Rule		
Project Name/Number:	/		

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Approved	state exception page	page 1	Replacement	AR Work Comp GCW State Exceptions 070108.pdf AR Work Comp Regent State Exceptions 070108.pdf

Arkansas

I. Rules

All policies will be issued using the rules published by the National Council on Compensation Insurance in the Basic Manual for Workers Compensation and Employers Liability Insurance.

II. Forms

Policies will be issued with standard coverage forms published by the National Council on Compensation Insurance or the appropriate state bureau. Independently filed, non-coverage forms such as policy jackets and dividend distribution forms may be used.

III. Foreign Coverage

Voluntary Workers' Compensation Coverage is available to employees that you hire within the limits of the United States of America while they are traveling or temporarily residing outside of the U.S. for a period of 90 days or less. Coverage will be provided by the addition of form WC 48 06 03 to the policy.

Premium shall be determined on the basis of the Workers' Compensation rules, classifications and rates published in the manuals that we use for the state Workers' Compensation law designated in the schedule on the endorsement.

Excess Repatriation Expense coverage will be provided for no additional premium. The limits for this coverage will be \$10,000 for each employee and \$50,000 for each accident.

IV. Rates and Rating Values

A. Final Rates

To determine a final rate for a classification, apply the following loss cost multipliers to the current Advisory Loss Costs published for this state by the National Council on Compensation Insurance and round to the nearest \$0.01:

Loss Cost Multipliers:

Class 7720 - 1.61
All Other Classes - 1.44

B. Alcohol and Drug Free Workplace Premium Credit factor:
.05

C. Premium Reduction for Employers Electing Deductibles

To determine the premium reduction for employers electing a deductible, apply the following factor to the Advisory Loss Cost Elimination Ratios published for this state by the National Council on Compensation Insurance.

Loss Elimination Ratio Conversion Factor: .78

D. Minimum Premium

Refer to the Basic Manual Rule 3-A-16 for application of minimum premiums. To determine the minimum premium for a classification, use the following formula and round the result to the nearest \$1.00:

$$(\text{Rate}) \times (\text{Minimum Premium Multiplier}) + (\text{Expense Constant})$$

Minimum Premium Multiplier: \$135
Maximum Minimum Premium: \$750

E. Premium Discount Percentages

The following premium discounts are applicable to Standard Premiums (see Basic Manual Rule 3-A-19):

First \$ 10,000 - 0%
Next \$ 190,000 - 9.1%
Next \$1,550,000 - 11.3%
Over \$1,750,000 - 12.3%

F. Expense Constant

The Expense Constant applicable in accordance with Basic Manual Rule 3-A-11 is **\$160**.

V. Waiver of Premium

Additional and Return Premiums of \$15.00 or less will be waived unless the insured requests return of the amount.

Arkansas

I. Rules

All policies will be issued using the rules published by the National Council on Compensation Insurance in the Basic Manual for Workers Compensation and Employers Liability Insurance.

II. Forms

Policies will be issued with standard coverage forms published by the National Council on Compensation Insurance or the appropriate state bureau. Independently filed, non-coverage forms such as policy jackets and dividend distribution forms may be used.

III. Foreign Coverage

Voluntary Workers' Compensation Coverage is available to employees that you hire within the limits of the United States of America while they are traveling or temporarily residing outside of the U.S. for a period of 90 days or less. Coverage will be provided by the addition of form WC 48 06 03 to the policy.

Premium shall be determined on the basis of the Workers' Compensation rules, classifications and rates published in the manuals that we use for the state Workers' Compensation law designated in the schedule on the endorsement.

Excess Repatriation Expense coverage will be provided for no additional premium. The limits for this coverage will be \$10,000 for each employee and \$50,000 for each accident.

IV. Rates and Rating Values

A. Final Rates

To determine a final rate for a classification, apply the following loss cost multiplier to the current Advisory

Loss Costs published for this state by the National Council on Compensation Insurance and round to the nearest \$0.01:

Loss Cost Multiplier: 1.44

**B. Alcohol and Drug Free
Workplace Premium Credit factor:
.05**

C. Premium Reduction for Employers Electing Deductibles

To determine the premium reduction for employers electing a deductible, apply the following factor to the Advisory Loss Cost Elimination Ratios published for this state by the National Council on Compensation Insurance.

**Loss Elimination Ratio Conversion
Factor: .78**

D. Minimum Premium

Refer to the Basic Manual Rule 3-A-16 for application of minimum premiums. To determine the minimum premium for a classification, use the following formula and round the result to the nearest \$1.00:

$(\text{Rate}) \times (\text{Minimum Premium Multiplier}) + (\text{Expense Constant})$

**Minimum Premium Multiplier: \$135
Maximum Minimum Premium: \$750**

E. Premium Discount Percentages

The following premium discounts are applicable to Standard Premiums (see Basic Manual Rule 3-A-19):

**First \$ 10,000 - 0%
Next \$ 190,000 - 9.1%
Next \$1,550,000 - 11.3%
Over \$1,750,000 - 12.3%**

F. Expense Constant

The Expense Constant applicable in accordance with Basic Manual Rule 3-A-11 is **\$160**.

V. Waiver of Premium

Additional and Return Premiums of \$15.00 or less will be waived unless the insured requests return of the amount.

VI. Participating Dividend Plans

The declaration of any dividend is subject to the approval of the Board of Directors of the Regent Insurance Company. Accordingly, a dividend cannot be guaranteed, and the estimated annual premium cannot reflect any estimated dividend reduction.

Dividends are not earned if:

- The loss ratio exceeds the maximum allowable percentage under the plan selected;
- The amount of the dividend is less than \$10.00;
- Upon audit, the net earned premium is less than the lowest premium level category in the plan selected;
- Any premiums billed for the policy term, including audits, are not paid;
- The policy has been in force less than one year, unless cancelled by the company for reasons other than non-payment of premium.

Arkansas

Dividend Plans

Sliding Scale Plan C1-A* (DV Code X1)

Loss Ratio --->	0.000- 0.050	0.051- 0.100	0.101- 0.150	0.151- 0.200	0.201- 0.250	0.251- 0.300	0.301- 0.350	0.351- 0.400	0.401- 0.450	0.451- 0.500
Premium Range	Dividend Factor									
\$ 1,000 - \$ 2,500	0.12	0.12	0.10	0.10	0.07	0.07	0.05	0.05	0.03	0.03
\$ 2,501 - \$ 5,000	0.13	0.13	0.11	0.11	0.08	0.08	0.06	0.06	0.04	0.04
\$ 5,001 - \$10,000	0.15	0.15	0.12	0.12	0.09	0.09	0.07	0.07	0.05	0.05
\$10,001 - \$15,000	0.17	0.17	0.13	0.13	0.10	0.10	0.08	0.08	0.06	0.06
\$15,001 - \$25,000	0.19	0.19	0.15	0.15	0.11	0.11	0.09	0.09	0.08	0.08
\$25,001 - \$50,000	0.23	0.23	0.18	0.18	0.12	0.12	0.11	0.11	0.09	0.09

For premiums greater than \$50,000, refer to company.

*Not applicable to policies subject to adjustment under the Retrospective Rating Plan.

Sliding Scale Plan C2-A* (DV Code X2)

Loss Ratio --->	0.000- 0.050	0.051- 0.100	0.101- 0.150	0.151- 0.200	0.201- 0.250	0.251- 0.300	0.301- 0.350	0.351- 0.400	0.401- 0.450	0.451- 0.500
Premium Range	Dividend Factor									
\$25,000 - \$50,000	0.12	0.12	0.10	0.10	0.08	0.06	0.04	0.02	0.00	0.000

For premiums greater than \$50,000, refer to company.

*Not applicable to policies subject to adjustment under the Retrospective Rating Plan.

Nonparticipating Plan (DV Code T6)

SERFF Tracking Number: QBCL-125636603 State: Arkansas
First Filing Company: Southern Guaranty Insurance Company, ... State Tracking Number: EFT \$100
Company Tracking Number: 070108 10851K
TOI: 16.0 Workers Compensation Sub-TOI: 16.0004 Standard WC
Product Name: AR Workers Compensation Rate/ Rule
Project Name/Number: /

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 05/28/2008

Comments:

Attachment:

P & C trans.pdf

Satisfied -Name: NAIC Loss Cost Filing Document for Workers' Compensation **Review Status:** Approved 05/28/2008

Comments:

Attachments:

AR Expense Constant Supplement and LCM calculation - GCW.pdf
AR Expense Constant Supplement and LCM calculation - Regent.pdf
AR Expense Constant Supplement and LCM calculation - SGIC.pdf
AR Expense Constant Supplement and LCM calculation - SPIC.pdf

Satisfied -Name: NAIC loss cost data entry document **Review Status:** Approved 05/28/2008

Comments:

Attachments:

Loss Cost data-GCW.pdf
Loss Cost data-Regent.pdf
Loss Cost data-SGIC.pdf
Loss Cost data-SPIC.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
g. SERFF Filing #:		
h. Subject Codes		

3. Group Name	Group NAIC #
QBE	076

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
General Casualty of Wisconsin	WI	24414	39-0301590	
Regent Insurance Company	WI	24449	39-6062860	
Southern Guaranty Insurance Company	WI	19178	63-0350861	
Southern Pilot Insurance Company	WI	22861	56-0773056	

5. Company Tracking Number	070108 10851K
-----------------------------------	----------------------

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Jennifer Kleeman One General Drive Sun Prairie WI 53596	Operations System Technician	608-825-5870	608-825-5100	jennifer.kleeman@generalcasualty.com
7. Signature of authorized filer				
8. Please print name of authorized filer		Jennifer Kleeman		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	Workers Compensation
10. Sub-Type of Insurance (Sub-TOI)	Standard WC
11. State Specific Product code(s) (if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input checked="" type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 07/01/2008 Renewal: 07/01/2008

15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	05/28/2008
19. Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document—

20. This filing transmittal is part of Company Tracking #	070108 10851K
--	---------------

21. Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
--

The intent of this filing is to seek approval to adopt the NCCI Voluntary Advisory Loss Costs and Rating Values – Item # AR-2008-02 – and to change the following items described below, both effective July 1, 2008.

22. Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #:

Amount:

EFT

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Insurer Name: General Casualty Company of Wisconsin
NAIC Number: 076-24414

Date: _____

ARKANSAS

EXPENSE CONSTANT SUPPLEMENT

CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Workers' Compensation

2. Loss Cost Modification:

- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(CHECK ONE)

☒ Without modification (factor = 1.000)
☐ With the following modification(s).

- B. Loss Cost Modification expressed as a Factor:

1.00

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Overall	Selected Provisions	
		Variable	Fixed
A. Total Production Expense	12.8	12.8	
B. General Expense	5.5	2.75	2.75
C. Taxes, Licenses & Fees	8.7	8.7	
D. Underwriting Profit & Contingencies	6.14	6.14	
E. Other (explain)			
F. TOTAL	33.14	30.39	2.75

4. A. Expected Loss Ratio: $ELR=100\% - \text{Overall } 3F = 67$
B. ELR expressed in decimal form = 0.67
C. Variable Expected Loss Ratio $VELR=100\% - \text{Variable } 3F = 70$
D. VELR in decimal form = 0.70

5. Formula Expense Constant:

$$[(1.00 \div 4B) - (1.00 \div 4D)] \times \text{Average Underlying Loss Cost} = 233.56$$

$$\text{Formula Variable Loss Cost Multiplier: } (2B \div 4D) = 1.44$$

6. Selected Expense Constant = 160

$$\text{Selected Variable Loss Cost Multiplier} =$$

7. Explain any difference between 5 and 6:

8. Rate level change for the coverages to which this page applies _____ %

12
5

Insurer Name: Regent Insurance Company
NAIC Number: 076-24449

Date: _____

ARKANSAS

EXPENSE CONSTANT SUPPLEMENT

CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Workers' Compensation

2. Loss Cost Modification:

- A. The insured hereby files to adopt the prospective loss costs in the captioned reference filing:
(CHECK ONE)

☒ Without modification (factor = 1.000)
☐ With the following modification(s).

- B. Loss Cost Modification expressed as a Factor:

1.00

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Overall	Selected Provisions	
		Variable	Fixed
A. Total Production Expense	<u>13.2</u>	<u>13.2</u>	
B. General Expense	<u>5.5</u>	<u>2.75</u>	<u>2.75</u>
C. Taxes, Licenses & Fees	<u>8.7</u>	<u>8.7</u>	
D. Underwriting Profit & Contingencies	<u>6.14</u>	<u>6.14</u>	
E. Other (explain)			
F. TOTAL	<u>33.54</u>	<u>30.79</u>	<u>2.75</u>

4. A. Expected Loss Ratio: ELR=100% - Overall 3F = 66
B. ELR expressed in decimal form = 0.66
C. Variable Expected Loss Ratio VELR=100% - Variable 3F = 69
D. VELR in decimal form = 0.69

5. Formula Expense Constant:

$[(1.00 \div 4B) - (1.00 \div 4D)] \times \text{Average Underlying Loss Cost} = \underline{236.32}$

Formula Variable Loss Cost Multiplier: $(2B \div 4D) = \underline{1.44}$

6. Selected Expense Constant = 160

Selected Variable Loss Cost Multiplier = _____

7. Explain any difference between 5 and 6:

8. Rate level change for the coverages to which this page applies

 %

Insurer Name: Southern Guaranty Insurance
NAIC Number: 076-19178

Date: _____

ARKANSAS

EXPENSE CONSTANT SUPPLEMENT

CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Workers' Compensation

2. Loss Cost Modification:

- A. The insured hereby files to adopt the prospective loss costs in the captioned reference filing:
(CHECK ONE)

☒ Without modification (factor = 1.000)
☐ With the following modification(s).

- B. Loss Cost Modification expressed as a Factor:

1.00

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Overall	Selected Provisions	
		Variable	Fixed
A. Total Production Expense	<u>13.9</u>	<u>13.9</u>	
B. General Expense	<u>5.5</u>	<u>2.75</u>	<u>2.75</u>
C. Taxes, Licenses & Fees	<u>8.7</u>	<u>8.7</u>	
D. Underwriting Profit & Contingencies	<u>6.14</u>	<u>6.14</u>	
E. Other (explain)			
F. TOTAL	<u>34.24</u>	<u>31.49</u>	<u>2.75</u>

4. A. Expected Loss Ratio: ELR=100% - Overall 3F = 66
B. ELR expressed in decimal form = 0.66
C. Variable Expected Loss Ratio VELR=100% - Variable 3F = 69
D. VELR in decimal form = 0.69

5. Formula Expense Constant:

$[(1.00 \div 4B) - (1.00 \div 4D)] \times \text{Average Underlying Loss Cost} = \underline{241.28}$

Formula Variable Loss Cost Multiplier: $(2B \div 4D) = \underline{1.46}$

6. Selected Expense Constant = _____

Selected Variable Loss Cost Multiplier = _____

7. Explain any difference between 5 and 6:

8. Rate level change for the coverages to which this page applies

 %

Insurer Name: Southern Pilot Insurance
NAIC Number: 076-22861

Date: _____

ARKANSAS

EXPENSE CONSTANT SUPPLEMENT

CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANTS

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:

Workers' Compensation

2. Loss Cost Modification:

- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
(CHECK ONE)

☒ Without modification (factor = 1.000)
☐ With the following modification(s).

- B. Loss Cost Modification expressed as a Factor:

1.00

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Overall	Selected Provisions	
		Variable	Fixed
A. Total Production Expense	<u>18.1</u>	<u>18.1</u>	<u> </u>
B. General Expense	<u>4</u>	<u>2</u>	<u>2</u>
C. Taxes, Licenses & Fees	<u>2.2</u>	<u>2.2</u>	<u> </u>
D. Underwriting Profit & Contingencies	<u>6.14</u>	<u>6.14</u>	<u> </u>
E. Other (explain)	<u> </u>	<u> </u>	<u> </u>
F. TOTAL	<u>30.44</u>	<u>28.44</u>	<u>2</u>

4. A. Expected Loss Ratio: $ELR=100\% - \text{Overall } 3F =$ 70
B. ELR expressed in decimal form $=$ 0.70
C. Variable Expected Loss Ratio $VELR=100\% - \text{Variable } 3F =$ 72
D. VELR in decimal form $=$ 0.72

5. Formula Expense Constant:

$[(1.00 \div 4B) - (1.00 \div 4D)] \times \text{Average Underlying Loss Cost} =$ 158.82

Formula Variable Loss Cost Multiplier: $(2B \div 4D) =$ 1.40

6. Selected Expense Constant = 160

Selected Variable Loss Cost Multiplier =

7. Explain any difference between 5 and 6:

8. Rate level change for the coverages to which this page applies

 %

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	010108 10775K
----	---	---------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	AR-2008-02
----	---	------------

	Company Name		Company NAIC Number
3.	A. General Casualty of Wisconsin	B.	0796-24414

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. Workers Compensation	B.	Workers Compensation

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers Compensation	7.39%	7.39%	67	1.00	1.44	160	1.44
TOTAL OVERALL EFFECT							

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	25	0	10/01/07	44,252	(56,925)	-1.29	46.9
2007	25	0	07/01/07	44,252	(56,925)	-1.29	46.9
2007	25	-4.48%	06/01/07	44,252	(56,925)	-1.29	46.9
2006	19	0	na	90332	22048	24.4	56.0
2005	25	47.69%	07/01/05	30410	(3053)	-10.0	50.7

7.

Expense Constants	Selected Provisions
A. Total Production Expense	12.8
B. General Expense	5.5
C. Taxes, License & Fees	8.7
D. Underwriting Profit & Contingencies	6.14
E. Other (explain)	
F. TOTAL	33.14

8. _____ Apply Lost Cost Factors to Future filings? (Y or N)

9. _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): NA

10. _____ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): NA

PC RLC

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	010108 10775K
----	---	---------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	AR-2008-02
----	---	------------

Company Name		Company NAIC Number	
3.	A. Regent Insurance Company	B.	0796-24449

Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)	
4.	A. Workers Compensation	B.	Workers Compensation

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers Compensation	4.76%	4.76%	66	1.00	1.44	160	1.44
TOTAL OVERALL EFFECT							

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	7	0	10/01/07	6582	(9486)	-1.44	53.5
2007	7	0	07/01/07	6582	(9486)	-1.44	53.5
2007	7	11.09	06/01/07	6582	(9486)	-1.44	53.5
2006	7	0	na	4770	(988)	-20.9	63.9
2005	6	1.88	07/01/05	11546	9207	79.7	43.8

7.

Expense Constants	Selected Provisions
A. Total Production Expense	13.2
B. General Expense	5.5
C. Taxes, License & Fees	8.7
D. Underwriting Profit & Contingencies	6.14
E. Other (explain)	
F. TOTAL	33.54

8. _____ Apply Lost Cost Factors to Future filings? (Y or N)

9. _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): NA

10. _____ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): NA

PC RLC

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	010108 10775K
----	---	---------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	AR-2008-02
----	---	------------

	Company Name		Company NAIC Number
3.	A. Southern Guaranty Insurance Company	B.	0796-19178

	Product Coding Matrix Line of Business (i.e., Type of Insurance)		Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A. Workers Compensation	B.	Workers Compensation

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers Compensation	5.11%	5.11%	66	1.00	1.46	180	1.46
TOTAL OVERALL EFFECT							

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	181	0	10/07/07	773,928	949,897	-1.23	88.3
2007	181	0	07/01/07	773,928	949,987	-1.23	88.3
2007	181	-77.69	06/01/07	773,928	949,897	-1.23	88.3
2006	181	0	na	905,715	675,492	74.6	53.8
2005	207	12.83%	04/01/05	892,313,	422,732	47.4	4932

7.

Expense Constants	Selected Provisions
A. Total Production Expense	13.9
B. General Expense	5.5
C. Taxes, License & Fees	8.7
D. Underwriting Profit & Contingencies	6.14
E. Other (explain)	
F. TOTAL	34.24

8. _____ Apply Lost Cost Factors to Future filings? (Y or N)

9. _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): NA

10. _____ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): NA

PC RLC

NAIC LOSS COST DATA ENTRY DOCUMENT

1.	This filing transmittal is part of Company Tracking #	010108 10775K
----	---	---------------

2.	If filing is an adoption of an advisory organization loss cost filing, give name of Advisory Organization and Reference/ Item Filing Number	AR-2008-02
----	---	------------

	Company Name		Company NAIC Number
3.	A.	Southern Pilot Insurance Company	B. 0796-22861

	Product Coding Matrix Line of Business (i.e., Type of Insurance)	Product Coding Matrix Line of Insurance (i.e., Sub-type of Insurance)
4.	A.	Workers Compensation
	B.	Workers Compensation

5.

(A) COVERAGE (See Instructions)	(B) Indicated % Rate Level Change	(C) Requested % Rate Level Change	FOR LOSS COSTS ONLY				
			(D) Expected Loss Ratio	(E) Loss Cost Modification Factor	(F) Selected Loss Cost Multiplier	(G) Expense Constant (If Applicable)	(H) Co. Current Loss Cost Multiplier
Workers Compensation	-7.90	-7.90	70	1.00	1.40	180	1.40
TOTAL OVERALL EFFECT							

6.

5 Year History

Rate Change History

Year	Policy Count	% of Change	Effective Date	State Earned Premium (000)	Incurred Losses (000)	State Loss Ratio	Countrywide Loss Ratio
2007	1	0	10/01/07	2942	12360	4.20	1.29
2007	1	0	07/01/07	2942	12360	4.20	1.29
2007	1	0	06/01/07	2942	12360	4.20	1.29
2006	1	0	na	259	0	0	99.8
2005	1	0	04/01/05	0	0	0	74.3

7.

Expense Constants	Selected Provisions
A. Total Production Expense	18.1
B. General Expense	4
C. Taxes, License & Fees	2.2
D. Underwriting Profit & Contingencies	6.14
E. Other (explain)	
F. TOTAL	30.44

8. _____ Apply Lost Cost Factors to Future filings? (Y or N)

9. _____ Estimated Maximum Rate Increase for any Insured (%). Territory (if applicable): NA

10. _____ Estimated Maximum Rate Decrease for any Insured (%) Territory (if applicable): NA

PC RLC